United Nations A/58/436

General Assembly

Distr.: General
15 October 2003

Original: English

**Fifty-eighth session**
Agenda item 104 (b)
**Follow-up to the International Conference on Financing for Development: high-level dialogue for the implementation of the outcome of the International Conference on Financing for Development**

# Organization and procedural matters of the High-level Dialogue on Financing for Development

**Note by the Secretary-General**

## I. Introduction

1. The arrangements set out below have been formulated on the basis of the following:

(a) General Assembly resolution 57/250 of 20 December 2002, on the High-level Dialogue on strengthening international economic cooperation for development through partnership;

(b) Letter dated 7 May 2003 from the President of the General Assembly at its fifty-seventh session addressed to permanent representatives of all Member States to the United Nations on the detailed organization of the High-level Dialogue on Financing for Development;

(c) Letter dated 6 October 2003 from the President of the General Assembly at its fifty-eighth session addressed to permanent representatives of all Member States to the United Nations on the format and structure of round tables and the informal interactive dialogue.

## II. Organizational arrangements

### A. Dates and venue

2. The High-level Dialogue on Financing for Development, comprising a series of plenary and informal meetings and interactive round tables with the participation of the relevant stakeholders, will take place on Wednesday and Thursday, 29 and 30

03-56385 (E) 201003

October 2003, at United Nations Headquarters in New York. The plenary meetings and the informal interactive dialogue will be held in the General Assembly Hall and/or the Trusteeship Council Chamber. Interactive round tables will be held in the Economic and Social Council Chamber and Conference Rooms 5, 6 and 7. Arrangements are being made so that round-table proceedings may be viewed in Conference Room 1, where special monitors and/or screens will be set up to provide live video and audio broadcast. All scheduled meetings will be announced in the *Journal of the United Nations*.

## B. Overall theme

3. The overall theme of the High-level Dialogue will be "The Monterrey Consensus: status of implementation and tasks ahead".

## C. Schedule of meetings and organization of work

4. The High-level Dialogue will consist of an innovative series of plenary and informal meetings to constitute a policy dialogue on the overall theme stated above and eight interactive round tables with the participation of the relevant stakeholders. The proposed programme of work is contained in the annex to the present note.

## D. Plenary meetings

5. The plenary meeting on the morning of Wednesday, 29 October, is expected to be of short duration, to allow for the formal opening of the High-level Dialogue by the President of the General Assembly. In addition, the Assembly will be able to adopt the proposed programme of work and to take up any remaining organizational matters.

6. The next plenary meeting will be held on the morning of Thursday, 30 October, to hear statements by the President of the General Assembly, the Secretary-General of the United Nations, the President of the Economic and Social Council, the heads of the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development, and the Administrator of the United Nations Development Programme as Chairman of the United Nations Development Group, as well as one representative of the regional development banks and one representative of the regional commissions. Each oral statement will be limited to five minutes, with the understanding that more extensive statements may be circulated in writing.

7. At the plenary meeting to be held in the afternoon of Thursday, 30 October, immediately following the conclusion of the informal interactive dialogue, the President of the General Assembly will make a concluding statement and will formally close the High-level Dialogue.

## E. Informal interactive dialogue

8. The informal interactive dialogue, chaired by the President of the General Assembly, will commence on the morning of Thursday, 30 October, immediately

following the adjournment of the plenary meeting, and will continue in the afternoon of Thursday, 30 October.

9. The informal meeting will constitute a policy dialogue with the participation of all relevant stakeholders on the status of implementation of the results of the International Conference on Financing for Development and the collaborative tasks ahead. To that end, it is proposed that the dialogue follow, to the extent feasible, the structure of the Monterrey Consensus and that of the report of the Secretary-General on the implementation of and follow-up to commitments and agreements made at the International Conference on Financing for Development (A/58/216). Delegations will also be encouraged to inform the meeting of national activities undertaken in that regard. Co-Chairs of the round tables and other participants may wish to refer to outcomes of interactive discussions on the preceding day.

10. To provide for a free-flowing, interactive discussion, no list of speakers will be established. The President of the General Assembly will be able to call upon speakers, including representatives of accredited intergovernmental organizations, civil society and the business sector, in the order in which they signify their desire to speak, on the understanding that the principle of precedence will be strictly applied, allowing participation at the ministerial level. All participants will be invited to speak from their seats and will be strongly encouraged to avoid reading from written statements.

11. At the discretion of the Chair, representatives of regional and international intergovernmental organs that participated in the Monterrey Conference will be able to intervene. One representative of civil society and one representative of the business sector, selected by accredited participants among themselves, will be able to report on the informal hearings scheduled for 28 October.

## F. Ministerial round tables

12. On Wednesday, 29 October, eight multi-stakeholder round tables, divided into two sessions, will be convened as follows.

13. The first set of four round tables will be held on the morning of Wednesday, 29 October, immediately following the adjournment of the opening plenary meeting. The theme of round tables 1 and 2 will be "Regional dimensions of the implementation of the results of the International Conference on Financing for Development". Round tables 3 and 4 will address the theme "Coherence and consistency of the international monetary, financial and trading systems in support of development". The heads of the African Development Bank, the Asian Development Bank and the Inter-American Development Bank have been invited to serve as co-Chairs together with five co-Chairs designated by the regional groups.

14. In the afternoon of Wednesday, 29 October, the second set of four multi-stakeholder round tables will be held. The theme of round tables 5 and 6 will be "The link between the progress in the implementation of the agreements and commitments reached at the International Conference on Financing for Development and the achievement of the internationally agreed development goals, in particular those contained in the United Nations Millennium Declaration". Round tables 7 and 8 will focus on the topic "The link between the progress in the implementation of the agreements and commitments reached at the International Conference on

Financing for Development and the promotion of sustainable development, sustained economic growth and the eradication of poverty with a view to achieving an equitable global economic system". The heads of the World Bank, the International Monetary Fund and the World Trade Organization have been invited to serve as co-Chairs together with five co-Chairs designated by the regional groups.

15. If any of the above-mentioned heads of institutional stakeholders are not available to co-chair the round tables, the President of the General Assembly may designate heads of other relevant intergovernmental organizations as alternative co-chairs.

## III. Participation of States

16. The High-level Dialogue on Financing for Development, including the plenary and informal meetings, will be open to participation by Member States, the Holy See, in its capacity as Observer State, and Palestine, in its capacity as observer, in accordance with the rules of procedure of the General Assembly.

17. The composition of the round tables will be subject to the principle of equitable geographical distribution of seats among the regional groups. Thus, each round table may have a maximum of seven participants from African States, seven from Asian States, three from Eastern European States, five from Latin American and Caribbean States and four from Western European and other States. Member States that are not members of any of the regional groups may participate in the round tables. The Holy See, in its capacity as Observer State, and Palestine, in its capacity as observer, may also participate in the round tables.

18. The list of participants in the round tables will be established on a first-come, first-served basis, with the understanding that the total number of Member States participating in each round table shall not exceed 24.

19. Member States are encouraged to be represented in the round tables at the ministerial level. Each minister or head of delegation attending the round tables may be accompanied by one adviser.

## IV. Participation of institutional stakeholders

20. The High-level Dialogue on Financing for Development, including the plenary and informal meetings, will be open to participation by all intergovernmental organizations and other entities having received a standing invitation to participate as observers in the sessions and the work of the General Assembly (see A/INF/57/4).

21. Other relevant intergovernmental organizations that were accredited to the International Conference on Financing for Development may participate in the informal interactive dialogue and the multi-stakeholder round tables. Each round table will include five representatives of observers, entities of the United Nations system and intergovernmental organizations other than observers. Their distribution in the round tables will follow the practice used at the International Conference on Financing for Development.

22. On 15 September 2003, the General Assembly decided to accredit to the High-level Dialogue the following intergovernmental organizations other than observers: the Eurasian Economic Community; the Latin American Reserve Fund and the Organization of Eastern Caribbean States.

## V. Engagement of civil society and the business sector

23. Greater participation of non-governmental organizations and business sector entities is sought in the interactive round tables and informal meetings of the plenary of the High-level Dialogue in accordance with the rules of procedure of the General Assembly. Accreditation will be open to (a) all non-governmental organizations that are in consultative status with the Economic and Social Council and (b) all non-governmental organizations and business sector entities that were accredited to the International Conference on Financing for Development.

24. In addition, the General Assembly decided, on 15 September 2003, to accredit to the High-level Dialogue the following business entities/organizations: the Financial Services Volunteer Corps, the African Business Round Table, the Securities Industry Association, Kleiman International Consultants, Inc., Pateli Zambia, Ltd., and Dexia Credit Local.

25. Each round table will include three representatives of civil society and three representatives of the private sector. Their distribution in the round tables will follow the practice used at the International Conference on Financing for Development.

## VI. Documentation

### A. Pre-session documentation

26. The substantive documentation of the High-level Dialogue on Financing for Development will consist of the following reports:

(a) Report of the Secretary-General on the implementation of and follow-up to commitments and agreements made at the International Conference on Financing for Development (A/58/216);

(b) Report of the Secretary-General on the implementation of the United Nations Millennium Declaration (A/58/323);

(c) Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions and the World Trade Organization (A/58/77-E/2003/62);

(d) Summary of the hearings and dialogue of the Economic and Social Council with members of civil society (A/58/77/Add.1-E/2003/62/Add.1);

(e) Summary of the hearings and dialogue of the Economic and Social Council with business interlocutors (A/58/77/Add.2-E/2003/62/Add.2);

(f) Report of the Economic and Social Council for 2003 (A/58/3 (Parts I and II)).

### B. In-session documentation

27. Co-Chairs of the round tables will be requested to submit to the President of the General Assembly summaries of their round tables. The summary by the President of the General Assembly of the High-level Dialogue on Financing for Development, including summaries of round tables and hearings of civil society and business interlocutors, will be issued as an official document of the General Assembly, and will constitute an important input for a resolution of the General Assembly on the implementation of the outcome of the International Conference on Financing for Development.

### C. Inputs from all relevant stakeholders

28. Background information for the High-level Dialogue on Financing for Development, including inputs received from all relevant stakeholders in the financing for development process, will be posted and updated, on a regular basis, on the web site of the Financing for Development Office of the United Nations Department of Economic and Social Affairs, at www.un.org/esa/ffd.

## VII. Hearings of civil society and business interlocutors

29. The High-level Dialogue on Financing for Development will be preceded, on Tuesday, 28 October, by a half-day hearing of members of civil society accredited to the High-level Dialogue and a half-day hearing of similarly accredited business interlocutors. The hearings will take place in Conference Room 4. The President of the General Assembly will chair both public hearings. The programme and documentation of both hearings will be posted on the above-mentioned Financing for Development web site. Summaries of hearings will be included in the summary by the President of the General Assembly of the High-level Dialogue.

## VIII. Media coverage

30. A special information kit is being prepared by the United Nations Department of Public Information for journalists covering the High-level Dialogue. In addition, the documents counter in the media area will provide all Dialogue documents, as well as press releases on its plenary meetings, round tables and other events. They will also be made available electronically on the Financing for Development web site.

31. The plenary and informal meetings of the whole, as well as press conferences, will be broadcast live in the media area. Arrangements are being made so that the round-table proceedings may be also viewed in the overflow area (Conference Room 1) and via closed-circuit television.

32. A programme of special media briefings and press conferences will be announced.

## IX. Side events

33. A series of special events, including briefings and panel discussions on issues related to financing for development, is being organized by entities of the United Nations system and accredited non-governmental organizations for the participants in the High-level Dialogue. The calendar of those events will be made available at the Dialogue site and will be posted on the Financing for Development web site.

# Annex

## Proposed organization of work of the High-level Dialogue on Financing for Development, at United Nations Headquarters, 29 and 30 October 2003

**Wednesday, 29 October**

**Plenary meeting**

| | |
|---|---|
| 10 a.m.-10.30 a.m. | Opening of the High-level Dialogue |
| | Adoption of the programme of work and other organizational matters |

**Ministerial round tables**

| | |
|---|---|
| 10.30 a.m.-1.30 p.m. | *Round tables 1 and 2* |
| | Two simultaneous multi-stakeholder round tables on the theme "Regional dimensions of the implementation of the results of the International Conference on Financing for Development" |
| | *Round tables 3 and 4* |
| | Two simultaneous multi-stakeholder round tables on the theme "Coherence and consistency of the international monetary, financial and trading systems in support of development" |
| 3 p.m.-6 p.m. | *Round tables 5 and 6* |
| | Two simultaneous multi-stakeholder round tables on the theme "The link between the progress in the implementation of the agreements and commitments reached at the International Conference on Financing for Development and the achievement of the internationally agreed development goals, in particular those contained in the United Nations Millennium Declaration" |
| | *Round tables 7 and 8* |
| | Two simultaneous multi-stakeholder round tables on the theme "The link between the progress in the implementation of the agreements and commitments reached at the International Conference on Financing for Development and the promotion of |

| | |
|---|---|
| | sustainable development, sustained economic growth and the eradication of poverty with a view to achieving an equitable global economic system" |
| **Thursday, 30 October** | |
| **Plenary meeting** | |
| 9.30 a.m.-10.30 a.m. | Statements by the President of the General Assembly, the Secretary-General of the United Nations, the President of the Economic and Social Council, the heads of the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development, and the Administrator of the United Nations Development Programme as Chairman of the United Nations Development Group, as well as one representative of the regional development banks and one representative of the regional commissions |
| **Informal interactive dialogue** | |
| 10.30 a.m.-1.30 p.m. | Policy dialogue with the participation of all relevant stakeholders on the overall theme "Monterrey Consensus: status of implementation and tasks ahead" |
| 3 p.m.-6 p.m. | Continuation of the policy dialogue |
| **Plenary meeting** | |
| 6 p.m.-6.15 p.m. | Concluding statement by the President of the General Assembly<br><br>Closing of the High-level Dialogue |

United Nations A/58/437

General Assembly

Distr.: General
16 October 2003

Original: English

**Fifty-eighth session**
Agenda items 91 (e), 98, 102 and 104

**Macroeconomic policy questions: external debt crisis and development**

**Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006)**

**Third United Nations Conference on the Least Developed Countries**

**Follow-up to the International Conference on Financing for Development**

## Letter dated 13 October 2003 from the Permanent Representative of Italy to the United Nations addressed to the Secretary-General

I have the honour to transmit to you herewith a document entitled "Italy's Contribution to the Enhanced HIPC Initiative" (see annex).

I should be grateful if you would have the present letter and its annex distributed as a document of the fifty-eighth session of the General Assembly, under items 91 (e), 98, 102 and 104, and as an input to the high-level dialogue as provided in General Assembly resolution 57/250.

(*Signed*) Marcello **Spatafora**
Ambassador

03-56571 (E) 221003

**Annex to the letter dated 13 October 2003 from the Permanent Representative of Italy to the United Nations addressed to the Secretary-General**

## ITALY'S CONTRIBUTION TO THE ENHANCED HIPC INITIATIVE

### HIPC Initiative

The Italian Government is a strong supporter of the Enhanced HIPC Initiative, and has decided to offer voluntarily to HIPC countries additional debt relief that goes beyond the terms of the initiative agreed at the 1999 G8 Summit in Cologne, with the aim of increasing financial resources for the eradication of poverty, in pursuance of the Millennium Development Goals (MDGs).

In the first place, Italy has decided to add the cancellation of 100% of the 'post-cut-off-date' commercial credits (i.e. debt non eligible to cancellation) to the cancellation of 100% of the 'post-cut-off-date' aid credits, as decided in Cologne, with an avant-garde position in this respect.

Furthermore, the Enhanced HIPC Initiative asks for the cancellation of 90% of the debt 'pre-cut-off-date'(i.e. eligible debt). Italy goes beyond this requirement and starts to apply the cancellation of 100% of the debt (and not 90%) from the first agreement on 'interim debt relief' (i.e. once the decision point is reached): the remaining debt is then cancelled at the 'completion point'. Therefore, the HIPC countries stop servicing their debt to Italy as soon as they reach the 'decision point'.

Italy's commitment within and beyond the Enhanced HIPC Initiative framework can be summarized as follows:

- Cancellation at the 'decision point' of 100% (and not just 90%) of debt service payments for commercial and aid credits (both 'pre-cut-off-date' and 'post-cut-off-date');
- Cancellation at the 'completion point' of 100% (and not just 90%) of aid credits (both 'pre-cut-off-date' and 'post-cut-off-date');
- Cancellation at the 'completion point' of 100% (and not 90%) of commercial credits (both for 'pre-cut-off-date' and 'post-cut-off-date').

In the next future Italy is committed to cancel a further US$ 3 billion of HIPC countries' debt: on top of the US$ 1,6 billion already cancelled, up to a total of about US$ 4,5 billions. Out of the US$ 4,5 billion, about US$ 1 billion represents the additional debt relief granted beyond the Enhanced HIPC Initiative.

**Italy's commitment within the G7/G8 framework**

At the G8 meeting held in Evian in June 2003, Italy has reaffirmed its commitment:

- To implement the HIPC initiative, asking the IMF and WB to identify the obstacles that prevent eligible countries from benefiting from the cancellation of debt, and to propose measures to overcome them;
- To encourage the involvement of all creditors (official and commercial) to the HIPC initiative;
- To monitor the financial needs of the HIPC Trust Fund;
- To ensure debt sustainability in HIPC countries exposed to exogenous shocks, even after reaching the 'completion point'.
- To encourage other G7/G8 members to cancel 100% of the HIPC countries' debt, both for pre and post-cut-off-date;
- To ensure that the topping up of assistance targets exclusively the poor indebted countries that at the completion point still have problems of debt sustainability;
- To pursue the 'Evian Approach': this approach allows attention to be drawn, after the HIPC countries, to IDA-only countries. The latter countries are just as poor as the HIPC, but their debt has been declared sustainable by the IFI's and therefore not eligible to the HIPC initiative;
- To sustain new debt restructuring mechanisms for countries which face temporary financial crisis.

**Italy's Implementation of the Enhanced HIPC Initiative**

At present, Italy's implementation of the enhanced HIPC initiative can be summarized as follows:

Multilateral agreements:

- From the year 2000, Italy signed 25 multilateral agreements: 17 are interim debt relief agreements; 8 are final eligible debt cancellation agreements. Other 5 agreements have been concluded with HIPC Countries that received a pre-HIPC debt treatment

Bilateral agreements:

- From October 2001 to September 2003, 25 bilateral agreements with HIPC countries have been signed:

-14 bilateral agreements on interim debt relief;
- 4 bilateral pre-HIPC agreements;
- 7 bilateral agreements on final cancellation of debt.

Debt Swaps:

According to the Paris Club's most updated data, Italy has been the most active member in the years 2000-2002 with regard to debt swaps agreements from aid credit.

*Annex: Italy's debt cancellation October 2001-September 2003.*

**ITALY'S CANCELLATION OF DEBT (OCTOBER 2001/SEPTEMBER 2003)**

| COUNTRY | DATE | LAST MULTILATERAL AGREEMENT AT THE PARIS CLUB | TOTAL DEBT CANCELLED BY THE PARIS CLUB | DEBT CANCELLED BILATERALLY | | |
|---|---|---|---|---|---|---|
| | | | US $ mill | US $ mill | Euro mill | % |
| BENIN | 8/10/02 | 24/10/00 | 5.24 | 2.61 | 2.66 | 44.3 |
| BOLIVIA | 3/6/02 | 10/7/01 | 685.00 | 69.85 | 74.25 | 10.2 |
| BURKINA FASO | 12/11/02 | 24/10/00 | 1.45 | 0.45 | 0.51 | 31.0 |
| BURKINA FASO | 11/03/03 | 20/6/02 | 39.00 | 12.84 | 11.85 | 32.8 |
| CAMEROON | 23/10/02 | 24/1/01 | 1,300.00 | 49.70 | 51.05 | 3.8 |
| CHAD | 23/09/02 | 13/6/01 | 15.00 | 1.85 | 1.89 | 12.3 |
| ETHIOPIA | 5/6/02 | 5/4/01 | 130.00 | 10.31 | 10.99 | 7.9 |
| ETHIOPIA | 21/03/03 | 18/4/02 | 35.00 | 25.44 | 23.52 | 72.7 |
| GHANA | 12/12/02 | 16/5/02 | 160.00 | 5.12 | 5.81 | 3.2 |
| GUINEA BISSAU | 21/03/03 | 26/1/01 | 141.00 | 94.17 | 89.07 | 66.8 |
| GUINEA CONAKRY | 22/10/01 | 15/5/01 | 151.00 | 15.93 | 17.87 | 10.5 |
| MALAWI | 17/6/02 | 25/1/01 | 71.00 | 0.23 | 0.26 | 0.3 |
| MALI | 23/10/02 | 25/10/00 | 3.87 | 0.03 | 0.03 | 0.8 |
| MALI | 4/9/03 | 12/3/03 | 155.00 | 1.05 | 0.98 | 0.7 |
| MAURITANIA | 24/10/02 | 16/3/00 | 99.00 | 0.08 | 0.09 | 0.1 |
| MAURITANIA | 24/10/02 | 8/7/02 | 203.00 | 0.22 | 0.25 | 0.1 |
| MOZAMBIQUE | 11/6/02 | 17/11/01 | 2,234.00 | 525.30 | 557.30 | 23.5 |
| DEM. REP. CONGO (1) | 25/04/03 | 13/9/02 | 4,640.00 | 403.55 | 370.40 | 8.7 |
| SENEGAL | 25/11/02 | 24/10/00 | 22.00 | 6.53 | 7.23 | 29.7 |
| SIERRA LEONE | 22/3/02 | 16/10/01 | 22.00 | 4.86 | 5.53 | 22.1 |
| SIERRA LEONE (2) | 11/03/03 | 10/7/02 | - | 16.61 | 15.41 | 0.0 |
| TANZANIA | 10/1/02 | 14/4/00 | 711.00 | 45.10 | 50.48 | 6.3 |
| TANZANIA | 18/10/02 | 17/1/02 | 973.00 | 132.80 | 136.41 | 13.6 |
| UGANDA | 17/4/02 | 12/9/00 | 147.00 | 126.75 | 142.79 | 86.2 |
| VIETNAM (3) | ######## | - | - | 20.51 | 20.66 | - |
| TOTAL | | | 11,943.56 | 1,571.89 | 1,597.29 | 13.2 |

(1) Pre-HIPC Agreement under the so-called "Naples Terms": 67% cancelled and the remaining amount (USD 441,36 milioni/EURO 405,10 milioni) rescheduled.
(2) Total amount rescheduled at the Paris Club not avaliable being Amendment to the previous Agreement dated 16.10.01.
(3) Partial cancellation of aid credits according to art. 5 of the Law 209/00 (natural disasters and serious humanitarian crises).

United Nations A/58/438–S/2003/1013

General Assembly
Security Council

Distr.: General
16 October 2003

Original: English

**General Assembly**
**Fifty-eighth session**
Agenda item 30
**Question of Cyprus**

**Security Council**
**Fifty-eighth year**

## Letter dated 15 October 2003 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a letter dated 13 October 2003, addressed to you by His Excellency Mr. Reşat Çağlar, Representative of the Turkish Republic of Northern Cyprus (see annex).

I should be grateful if the present letter and its annex were circulated as a document of the General Assembly, under agenda item 30, and of the Security Council.

(*Signed*) Ümit **Pamir**
Ambassador
Permanent Representative

03-56444 (E) 231003

## Annex to the letter dated 15 October 2003 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

## Letter dated 13 October 2003 from His Excellency Mr. Reşat Çağlar, Representative of the Turkish Republic of Northern Cyprus, addressed to the Secretary-General

I have the honour to convey herewith a copy of the letter dated 9 October 2003 addressed to you by H.E. Mr. Rauf R. Denktaş, President of the Turkish Republic of Northern Cyprus (see enclosure).

(*Signed*) Reşat **Çağlar**
Representative
Turkish Republic of Northern Cyprus

## Enclosure

### Letter dated 9 October 2003 from H.E. Mr. Rauf R. Denktaş, President of the Turkish Republic of Northern Cyprus, addressed to the Secretary-General

I have the honour to refer to the statement made by the Greek Cypriot leader, Mr. Tassos Papadopoulos, at the fifty-eighth session of the General Assembly, on 25 September 2003 in New York.

Every year, we witness the Greek Cypriot officials appear before this Assembly to repeat their well-known baseless allegations against Turkey and the Turkish Republic of Northern Cyprus and portray the Cyprus question as a problem of "invasion" and "occupation". It was no surprise, therefore, that Mr. Papadopoulos followed the same path, which is nothing other than a distortion aimed at concealing the responsibility of the Greek Cypriot side in the creation and perpetuation of the Cyprus issue. Mr. Papadopoulos' remarks are, however, of particular significance from another perspective since they not only confirm our solid perception that the Greek Cypriot side has yet to come to terms with the idea of sharing the future of the island with Turkish Cypriots under the terms of a new partnership based on sovereign equality but also demonstrate a clear refusal to accept Turkish Cypriots as their equal counterparts in any form. Obviously, this kind of approach does not promote reconciliation, especially at a time when we, on our part, have taken bold steps towards fostering confidence and good-neighbourly relations between the two sides of the island.

It needs to be stressed, at the outset, that none of the resolutions to which Mr. Papadopoulos pays lip service in his statement describes the justified Turkish intervention of 1974 as "aggression" or "invasion" or the subsequent presence of Turkish troops in the island as "occupation". In fact, Turkey's intervention, which prevented the illegal annexation of Cyprus by Greece, was undertaken in accordance with her rights and obligations under the Treaty of Guarantee of 1960, at the request of the Turkish Cypriot co-founder partner of the defunct 1960 Republic, and was fully legal and legitimate under article 4 of the said Treaty. The legality of the Turkish intervention on Cyprus has also been underlined by the Parliamentary Assembly of the Council of Europe in its resolution 573 (1974), adopted on 29 July 1974, and by the Athens Court of Appeals in its decision of 21 March 1979.

In fact, the only occupation in Cyprus is the 40-year-old usurpation and continued occupation of the seat of government of the once bi-national Republic of Cyprus by the Greek Cypriot side. As for "invasion", I only wish to recall the dramatic speech made by the Greek Cypriot leader, Archbishop Makarios, before the Security Council on 19 July 1974, in which he openly accused Greece, not Turkey, of invading and occupying Cyprus. His remarks, which were made subsequent to the Greek coup of 15 July 1974, are well recorded in the annals of the United Nations and require no elaboration. What happened in Cyprus before the coup, however, is of equal if not greater importance in revealing the Greek Cypriot side's exclusive responsibility for the existing division of the island.

Between the years 1963 and 1974, Greek Cypriots, aided and abetted by Greece, practised terrorism and tyranny against the Turkish Cypriot people aimed at the annexation of the island to Greece. The right of the Turkish Cypriot people to

life, liberty and security was almost non-existent during this period. Hundreds of Turkish Cypriots were killed and maimed by armed Greek Cypriot paramilitaries and a quarter of the Turkish Cypriot population (some 30,000 people) rendered homeless. Hundreds more were abducted or subjected to enforced disappearance, never to be seen or heard of again. There is ample graphic evidence that between 1963 and 1974 a systematic campaign of ethnic cleansing was directed against the Turkish Cypriot people by their former partners. One needs only to look at the reports of the Secretary-General and the press reports of the period to see the gravity of the situation created by the Greek Cypriot campaign for enosis.

It is this background of violence, for which the Greek Cypriots themselves are solely responsible, that has divided Cyprus; segregated the two peoples of the island from each other by pushing the Turkish Cypriots into scattered enclaves encompassing a mere 3 per cent of the island's territory for 11 years; and finally led to the current division.

As for legitimacy and effectiveness to which Mr. Papadopoulos refers in conjunction with the United Nations system and universal goals, it should be noted that the legitimacy of the 1960 partnership Republic of Cyprus lay in the joint presence and effective participation of both peoples in all organs of the State. Neither of the parties had the right to rule or be the Government of the other or the island as a whole. Indeed, the fundamental feature of the 1959-1960 agreements giving rise to the establishment of the long-defunct Republic of Cyprus was that one partner would not dominate the other. In December 1963, the Greek Cypriot partner of the 1960 Republic of Cyprus resorted to violence and usurped the state machinery by force of arms. Ever since, there has not been a joint central administration in the island capable of representing the whole of Cyprus, either legally or de facto. In other words, the Greek Cypriot administration of Southern Cyprus, in its usurped title as the "Government of the Republic of Cyprus", has no legal or moral right to represent anyone but the Greek Cypriot people.

As for effectiveness, I can only agree with Mr. Papadopoulos that no one can match the proficiency of the Greek Cypriots in utilizing international recognition as political leverage to the detriment of the Turkish Cypriot side. Indeed, the unjust treatment by the international community of the Greek Cypriot administration as the "legitimate Government of the Republic of Cyprus" has always been and continues to be the main source of encouragement for the Greek Cypriot side to reject equal power-sharing with the Turkish Cypriots. As you are well aware, acting in its purported capacity as "the Government of Cyprus" the Greek Cypriot administration made a unilateral and unlawful application for European Union (EU) membership, and the acceptance and processing of that application by the European Union, despite our justified opposition and international treaties banning such an eventuality, had a devastating effect on the efforts aimed at reconciliation in Cyprus.

When, in December 2002, the EU declared that the Greek Cypriot administration would be accepted as a new member on behalf of Cyprus, the Greek Cypriot side hardened its position vis-à-vis a negotiated settlement, confident that the accepted parameters of a settlement in Cyprus, such as bi-zonality, restrictions on the three freedoms and the continuation of the 1960 guarantee system, would disappear once "Cyprus" had become a member of the EU, in which Greece was a member but Turkey was not. This position was evident in the intransigent and inflexible attitude of the Greek Cypriot side throughout the process of direct talks,

which commenced in 2001 upon my initiative and culminated in the talks at The Hague.

Contrary to the claim of Mr. Papadopoulos, we all know that the talks did not fail as a result of intransigence on our part but simply because the Greek Cypriot administration, heartened by its EU membership prospects, was not willing to concede to the concept of partnership between equals and to translate the principles of sovereign equality and bi-zonality into practical terms. The unfortunate decision to link the talks to the narrow timetable of the "Cyprus in the EU" programme could not and did not contribute to a meaningful process.

Despite the negative attitude of the Greek Cypriot administration, we concentrated on giving a new impetus to the efforts targeting a comprehensive settlement and, as you will recall, on 2 April 2003 I put forward our proposals aimed at overcoming the deep crisis of confidence between the two peoples which has been blocking the way to a just and lasting settlement in Cyprus. The proposals included opening parts of the fenced area of Varosha for resettlement; removal of all restrictions imposed by the Greek Cypriot side on overseas trade, transport and travel, as well as on cultural and sportive activities; the free movement of peoples, including tourists and the United Nations Peacekeeping Force in Cyprus (UNFICYP); and free movement of goods. Unfortunately, the Greek Cypriot side, without even considering those proposals, rejected them the very same day.

Furthermore, with a view to promoting the search for reconciliation through the creation of a new climate of confidence, the Council of Ministers of the Turkish Republic of Northern Cyprus (TRNC) adopted a decision on 21 April 2003, which provided for the new arrangements for crossings between TRNC and south Cyprus. This was a historic decision, to which both the Turkish Cypriot and Greek Cypriot people reacted very positively.

As you are well aware, one of the most fundamental issues in the Cyprus question is that of property. The Turkish Cypriot side has for a long time been proposing to the Greek Cypriot side that a joint property claims commission be set up to look into Turkish Cypriot and Greek Cypriot property claims and to develop modalities as to how the property issue can be settled on the basis of the agreed principle or bi-zonality. The Greek Cypriot side has been refusing this proposal, while affected property owners are deprived of effective remedies. In the absence of cooperation from the Greek Cypriot side, TRNC, in consultation with relevant international bodies, has passed a new law through its Assembly providing remedies to Greek Cypriots who wish to receive either full compensation against their properties, or exchange their properties in TRNC with Turkish Cypriot properties in the south. The humanitarian and practical significance of this legislation cannot be overstressed. The reaction of the Greek Cypriot administration to this new opening of TRNC has also been negative. Greek Cypriot officials have taken turns in denouncing those Greek Cypriots who chose to make use of this legal remedy in TRNC. This constitutes a blatant attempt to curtail the individual rights of Greek Cypriots and to undermine an effective instrument provided by TRNC, which conforms fully with relevant international norms.

The principle that such problems should be solved through a political solution on the island has been stated by Greek Cypriot political leaders many times. Greek Cypriot Minister of Internal Affairs Andreas Hristu said that the Turkish Cypriots will be able to receive their compensation after a solution (6 September 2003,

*Haravgi*). Spokesman for the Greek Cypriot Administration Kipros Hrisostomidis also stated that the property issue is an issue that can be solved for good only after the resolution of the Cyprus problem (21 July 2003, *Mahi*). It should also be kept in mind that a long Turkish Cypriot list for compensation from the period 1963-1974 from the Greek Cypriots is also still pending.

You will recall my letter of 11 July 2003, in which I sought your support to initiate another major undertaking. The Turkish Cypriot side proposed the opening of Nicosia International Airport under United Nations administration to serve both sides. The proposed package also included the other measures foreseen in the United Nations confidence-building measures proposals of 1993 and 1994, including the opening up of the fenced area of Varosha for resettlement under United Nations administration. The Greek Cypriot side has also rejected this constructive proposal.

In Mr. Papadopoulos' own words with regard to the situation in the Middle East, "the necessary political will should be demonstrated by both sides at all levels and be matched with persistent action on the ground in the right directions". The recent developments in Cyprus, during which the Greek Cypriot leadership failed to reciprocate every initiative we made in any direction demonstrated beyond doubt that the professed political will of the Greek Cypriot party for a "functional and viable solution" is nothing more than an empty remark designed to impress the audience. Over the years, Greek Cypriot leadership has preferred to stick to the hijacked title of the Government of Cyprus rather than re-establish a new partnership in the light of the realities which prevail.

On the other hand, it is a fact that the overwhelming majority of the Turkish Cypriot people are willing and ready for a political solution in Cyprus, as well as European Union membership, subject to respect for the rule of law, which provides that Cyprus cannot enter a union unless both guarantor motherlands are members. It is equally true, however, that the Turkish Cypriot people are also ready and determined to make sure that their state — the Turkish Republic of Northern Cyprus — is not dismantled by any means and to continue protecting their inherent rights and interests at all costs, instead of yielding to Greek Cypriot aspirations of bringing Cyprus under their domination.

With regard to the all-important issue of human rights, I wish to stress that the Greek Cypriots are in no position to blame anyone for violating human rights and freedoms in Cyprus, especially at a time when the inhuman Greek Cypriot embargoes imposed on the Turkish Cypriot people under the usurped title of the "Government of Cyprus" continues unabated. The all-encompassing Greek Cypriot embargoes range from denying the Turkish Cypriot people the right of representation in international forums to preventing or restricting their travel abroad and their communication with the rest of the world; to curtailing trade and tourism between TRNC and the outside world; and to hampering all cultural and sporting relations of the Turkish Cypriot people with other countries.

Furthermore, despite the positive moves of the Turkish Cypriot side, Greek Cypriot authorities continue to discourage both Greek Cypriots and tourists from crossing over to north Cyprus. The Greek Cypriot authorities do not allow tourists to stay overnight in north Cyprus and threaten the Greek Cypriots and others who choose to stay with legal action and fines. People who buy consumer goods from Turkish Cypriot shops in TRNC are faced with difficulties on their way back to south Cyprus. Greek Cypriot press reports confirm that such goods continue to be

confiscated by the Greek Cypriot police in spite of public outrage in the face of such senseless acts.

Regarding the humanitarian issue of missing persons, it is noteworthy that Mr. Papadopoulos has conveniently omitted any reference to the Turkish Cypriot missing, who disappeared during the atrocities of the period 1963-1974. This position is, of course, in keeping with the inherent Greek Cypriot policy with regard to this sensitive issue. In spite of real and direct evidence testifying to the reality that most of the Greek Cypriots listed as missing by the Greek Cypriot administration are those killed by the Greeks themselves in the internecine war during the coup d'état of 15 July 1974 or those killed in the events that the coup had triggered off, subsequent Greek Cypriot administrations managed to conceal the truth from Greek Cypriots and the international community, alike, for decades, and exploited this humanitarian issue for political gain at the expense of the families on both sides who had lost their loved ones.

It should be recalled, in this context, that following a series of dramatic disclosures in southern Cyprus concerning cases of so-called "missing persons" being kept on the missing list in spite of the knowledge that they had been killed during the coup of 1974, the then Greek Cypriot Foreign Minister, Mr. Ioannis Kasoulides, admitted that the Greek Cypriot administration "owed many apologies" to the relatives of the "missing".

You are well aware that the only body competent to solve the question of missing persons in Cyprus is the autonomous tripartite United Nations Committee on Missing Persons in Cyprus, established in 1981 and comprising of one Turkish Cypriot, one Greek Cypriot and a neutral member appointed by the Secretary-General. It is evident even from the composition of the Committee that Turkey is not a party to this issue. In view of these realities, the non-reference by Mr. Papadopoulos to the Committee and his attempt to link Turkey to the question of missing persons demonstrates that the Greek Cypriot leadership is still not interested in putting an end to this humanitarian ordeal but in prolonging it by shifting to other platforms through dissolving the Committee which, owing to its structure, not only gives equal say to both parties but ensures impartiality.

I wish to take this opportunity to reiterate that the Turkish Cypriot side is prepared to cooperate fully, as hitherto, within the Committee to resolve the issue in line with the expectations of the families concerned on both sides. We only hope that adopting the same constructive approach, the Greek Cypriot side will stop playing with human pain and reveal the full list of the names and places of burial of all the Greek Cypriots who were killed during the Greek coup of 15 July 1974, hence remove the main impediment in the way of progress towards the final solution of this long-standing issue.

As for Mr. Papadopoulos' remarks on refugees, I only wish to recall the historical fact that the question of displaced persons in Cyprus has been fundamentally settled through the third Vienna agreement, dated 2 August 1975, under which the two sides agreed on a voluntary regrouping of populations in their own respective territory under the supervision of UNFICYP. Both the agreement and its implementation are well recorded in relevant United Nations documents (see S/11789 and Add.1).

Regarding the issue of the so-called "enclaves", it is noteworthy that the term enclaves was first used in the relevant reports of the Secretary-General to describe the areas which Turkish Cypriots had been forced into by the Greek Cypriots during the period 1963-1974. Lately, the Greek Cypriot side has been trying to utilize the term "enclaved people" for propaganda purposes by exploiting the presence of the several hundred Greek Cypriots living in northern Cyprus. The fact is that there have been no enclaved people in Cyprus since the liberation of the Turkish Cypriots by Turkey in 1974, and the Greek Cypriots living in the Turkish Republic of Northern Cyprus enjoy the same rights and living conditions as the rest of he residents of TRNC.

Before I conclude, I wish to reiterate that, as I confirmed to you in my letter of 24 July 2003, the military authorities of the Turkish Republic of Northern Cyprus are prepared to discuss with UNFICYP the issue of demining in Nicosia and its close vicinity.

(*Signed*) Rauf R. **Denktaş**
President